

**GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:4717
ANSWERED ON:18.04.2001
EFFECTS OF GLOBALISATION
IQBAL AHMED SARADGI

Will the Minister of SMALL SCALE INDUSTRIES AND RURAL AND AGRO INDUSTRIES be pleased to state:

- (a) whether the Government are aware of the drastic effects to the small industries entrepreneurs and workers due to the globalisation as the small scale industries are unable to compete international market due to high cost of productivity;
- (b) if so, the solutions to combat the problem;
- (c) whether there is any proposal to set up a separate Ministry for WTO affairs;
- (d) whether the Government have any proposal to provide special incentives for women entrepreneurs in terms of reservation of infrastructure, facilities, fund allocation, market share, etc.;
- (e) if so, the details thereof;
- (f) if not, the reasons therefor; and
- (g) the remedial measures taken for the co-ordination of Government and the commercial banks for the successful implementation of Credit Guarantee Scheme?

Answer

THE MINISTER OF STATE (INDEPENDENT CHARGE) IN THE MINISTRY OF SMALL SCALE INDUSTRIES AND AGRO RURAL INDUSTRIES (SMT. VASUNDHARA RAJE)

- (a): Yes, Sir. Globalization and the removal of Quantitative Restrictions have exposed the Small Scale Industries to greater competition.
- (b): The Government has put in place several measures to help our industries become globally competitive. These include special focus on areas such as technology upgradation, infrastructure assistance through cluster approach, timely availability of credit, adoption of modern management practices, use of electronic infrastructure and other IT applications to face the emerging challenges of trade liberalisation.
- (c): The Ministry of Commerce and Industry deals with WTO related issues.
- (d) to (f): Preference is given to weaker sections including women under the PMRY which aims at assisting uneducated unemployed youth in setting up self employment ventures.
- (g): The Credit Guarantee Fund Scheme for Small Industries was launched in August 2000. The Government have set up the Credit Guarantee Fund Trust for Small Industries for implementing the said Scheme. The Trust co-ordinates with the Government and the Commercial Banks for its successful implementation.